

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**Call to Order:** By **CHAIRMAN JOHN WITT**, on January 19, 2001 at 9.00 A.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. John Witt, Chairman (R)  
Sen. Ken Miller, Vice Chairman (R)  
Rep. Rosalie (Rosie) Buzzas (D)  
Sen. Greg Jergeson (D)  
Sen. Royal Johnson (R)  
Rep. Art Peterson (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Becky Beckert-Graham, OBPP  
Mark Bruno, OBPP  
Amy Carlson, OBPP  
Pam Joehler, Legislative Branch  
Cayenna Johnson, Committee Secretary  
Taryn Purdy, Legislative Branch  
Jim Standaert, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: OPI  
Executive Action: None.

***{Tape : 1; Side : A; Approx. Time Counter : 0}***

The Board of Public Education met with the Joint Appropriations subcommittee from 8:00-9:00 a.m.. Introductions were made and the following people were present to represent the Board of Public Education: Kirk J. Miller, Havre; Diane Fladmo, Glendive; Patty Myers, Great Falls; Joy Silverthorn, Dixon; Bob Brown, Whitefish; Randy Morris, Butte; and Emily Flemming, Student Representative.

There was a general discussion regarding education and funding problems.

**HEARING ON OFFICE OF PUBLIC INSTRUCTION**

***{Tape : 1; Side : B; Approx. Time Counter : 15; 9:00 a.m.}***

**Ms. Taryn Pardy, Legislative Fiscal Division**, gave the committee the following information:

**EXHIBIT(jeh15a01)** A supplementary version of the LFD Budget Analysis,

**EXHIBIT(jeh15a02)** "Comparison of Governor Racicot to Governor Martz, Office of Public Instruction, 2003 Biennium", and

**EXHIBIT(jeh15a03)** "Comparison of Teacher Retention/Shortage Proposal, Office of Public Instruction, 2003 Biennium".

**Ms. Kathy Fabiano, Assistant Superintendent, OPI**, explained the Legislative Fiscal Division Budget Analysis beginning on page E-1 through E-8. **Ms. Fabiano** discussed OPI Supplemental Appropriations and the Present Law Adjustments (PLA's). PLA's can be found on pages 1-4 in **Exhibit (1)**. **SEN. JOHNSON** asked why the total 138 FTE in OPI were not reflected on page E-1 which shows 128.5 FTE. **Ms. Fabiano** explained that some FTE were funded one-time-only(OTO)in the last biennium; others were funded by the indirect cost pool and are not in this budget as it only shows HB 2 appropriations. **REP. PETERSON** asked if they expect federal funds to remain consistent. **Ms. Fabiano** replied they do.

***{Tape : 2; Side : A; Approx. Time Counter : 2.1; 9:20 a.m.}***

**Ms. Madalyn Quinlan, Chief of Staff, OPI**, spoke about new proposals, starting on page E-10. They are DP 12-Non-Fiscal Date Automated System, DP 24-Eliminate Communication Position, and a request for funding for an interim study of the public school funding formula current in legislation in LC 1465 carried by Representative John L. Musgrove. **SEN. JERGESON** asked OPI to clarify the use of non-fiscal data. He asked OPI if they were documenting savings and efficiency using this data. **Ms. Quinlan** commented that in addition to cost saving benefits there are time saving benefits using the data. **REP. BUZZAS** asked how long it will take to get all schools on the automated system. **Ms. Quinlan** responded they should be brought on in a 3-year period. This is most important for the accreditation of schools. With

the new program the Board of Public Education(BPE) may accredit schools withing three weeks of receiving data; whereas, currently BPE isn't able to finish accrediting schools until the seventh or eighth month of an academic year.

***{Tape : 2; Side : A; Approx. Time Counter : 14.6}***

**Ms. Nancy Coopersmith, Assistant Superintendent, OPI**, spoke about DP 2-School Improvement-Focus on Learning found on page 5 of **Exhibit (1)** and page E-9 of the LFD Budget Analysis. On page E-9 Governor Racicot approved DP 2 with \$1.1 million each year in the biennium. Governor Martz recommended funding with \$600,000 cuts in each year of the biennium. **Ms. Coopersmith**, following the priorities of **Superintendent McCulloch**, discussed the proposal with Gov. Racicot's level of funding. This can be found on a chart of page E-9 of the LFD Budget Analysis. **Ms. Coopersmith** also explained New Proposals DP 5-National Board Certification Stipend, DP 10-Address issues related to HB 528, DP 11-School Budget and Accounting Section, DP 13-Special Ed: State Improvement Grant, DP 14-Tobacco Education, DP 18-Advanced Placement Incentive Program, DP 20-Coordinated School Health Program and DP 21-Teacher Shortage/Teacher Salaries recommendations.

***{Tape : 2; Side : B; Approx. Time Counter : 5.4}***

**Mr. Bob Runkel, Director of Special Education, OPI**, explained that approval of DP 13 gave OPI the authority to spend federal grants on special education providing stipends for teachers in special education, supplementing existing special education programs, and providing funds for technical assistance and training.

Regarding DP 20, **SEN. MILLER** asked if OPI plans on coordinating the New Proposal health program with existing county health programs. **Spenser Sartorius, OPI**, explained that OPI has been working in conjunction with the Department of Public Health and Human Services(DPHHS) to enhance existing programs rather than duplicate their co-existing programs. DPHHS has been working with OPI to create researched based health education programs that OPI can implement.

***{Tape : 2; Side : B; Approx. Time Counter : 26.4; 10:15 a.m.}***

**Ms. Fabiano** reminded the committee that grants are separated between the Administrative Program and the Distribution to Schools Program and that some grants will have to be approved in both programs.

The Division of Operations requests one additional FTE and \$50,000 of general fund for the State Distribution to Schools Division which supervises the states largest allocation of general fund. OPI originally requested 2 FTE and Governor Racicot approved 1 FTE while Governor Martz eliminated the proposal. The need for the additional FTE is to accommodate the increasing workload that has exceeded the capabilities of the department. Factors that contributed to the additional workload were the implementation of HB 28, HB 667, SB 184 and HB 4. In addition, a 20% decrease in county superintendents, the increasing complexity of property tax laws, increasing duties to the federal government without additional FTE, and implementing accountability in school districts all contributed to increasing the workload. OPI Department of Operations is also requesting authority to make a funding switch of the Advanced Drivers Education Program from the state special revenue to the proprietary fund to allow rates charged in the program to be approved in HB 2.

**Ms. Fabiano**, also gave an overview of Proprietary Rates that need to be approved by the committee. These rates are found on E-13 of the LFD Budget Analysis and page 8 of **Exhibit (1)**.

**REP. BUZZAS** asked what type people get trained in the Advanced Drivers Education Program and expressed her concern about increasing the Drivers Education rates as some people may not be able to afford drivers education training. **Mr. Sartorius** explained they train a variety of people, not just drivers education teachers, and that the rates are only enough to keep the program going.

#### **PUBLIC TESTIMONY**

***{Tape : 3; Side : A; Approx. Time Counter : 6.6; 10:35 a.m.}***

**Mr. Eric Burke, Montana Education Association/Montana Federation of Teachers (MEA/MFT)**, spoke in strong support of the OPI proposals. He then reminded the committee about teacher salary shortage initiatives, HB 65, HB 42, and HB 140. He also reminded the committee that 25% of Montana teachers leave the state due to the higher wages offered elsewhere. He also spoke in favor of the Improving Montana School Initiative. He added when Montana has quality teachers, Montana has quality learning. Teachers need resources and tools from OPI and OPI is the resource for teachers in Montana.

#### **EXHIBIT (jeh15a04)**

***{Tape : 3; Side : A; Approx. Time Counter : 16.3; 10:45 a.m.}***

**Mr. Bob Vogel, Montana School District Association**, represents 350 school districts in Montana and all have done work on the Improving Montana Schools Initiative. He testified in support of OPI budget requests.

**EXECUTIVE ACTION ON OFFICE OF PUBLIC INSTRUCTION**

***{Tape : 3; Side : A; Approx. Time Counter : 19}***

The committee discussed **Exhibit (3)** and whether or not to act on decision packages that are contingent on bills in legislature.

**SEN. JERGESON** recommended the committee wait to act until the bills had "worked their way through legislature". **Ms. Purdy** explained the funding of the bills is entirely dependent on the passing of the bills, but the passing of the bills isn't dependent on the action of the committee.

**Motion:** **REP. PETERSON** moved that **GLOBAL PRESENT LAW ADJUSTMENTS BE ADOPTED**. Motion withdrawn.

**Motion/Vote:** **REP. WITT** moved that **BASE, GLOBAL PRESENT LAW ADJUSTMENTS, DP 698, DP 699 BE ADOPTED**. Motion carried unanimously.

**Ms. Purdy**, at **CHAIRMAN WITT'S** request, reviewed OPI Administrative Program Present Law Adjustments to the committee. Beginning with **Exhibit (2)**, **Ms. Purdy** gave an overview of the difference between Governor Racicot's recommendations and Governor Martz's recommendations and explained the Decision Packages AS follows:

***{Tape : 3; Side : A; Approx. Time Counter : 31.8}***

DP 6: \$10,000 needs to be replaced as it was accidentally removed; DP 11: This is funded from the proprietary fund; DP 12: In FY02 \$1.5 million and in FY03 \$1.7 million in federal funding; DP 19: This is an increase in rates but a reduction of the amount of fees that go into the account; DP 2: Money requested is greater than the amount in the last biennium; most of professional development was removed by Governor Martz; DP5: contingent of HB 42; DP 18: LFD has no history because the grant is new. **Ms. Purdy** explained the legislature approves rates OPI can charge for internal services.

***{Tape : 3; Side : B; Approx. Time Counter : 8.7}***

Regarding DP 23, **REP. PETERSON** asked who would pay for the METNET phone charges. **Ms. Carlson** answered it is the recommendation of

OBPP that METNET be accessed only through the internet. **Ms. Fabiano** explained the METNET budget is \$225,000 consisting of \$110,000 personnel services, \$75,000 for operating costs, \$32,000 for indirect costs and \$8,000 for equipment. The budget for the toll-free lines is \$24,000 and about \$4,000 for indirect costs. **SEN. MILLER** asked if they are the only agency who uses METNET and **Ms. Fabiano** replied the Department of Administration uses the video version of METNET which is entirely different from OPI's bulletin board version of METNET. **CHAIRMAN WITT** asked which communities do not have access to the internet. OPI would provide the information at a later meeting.

*{Tape : 3; Side : B; Approx. Time Counter : 16.8}*

**CHAIRMAN WITT** asked if the federal grant, Advanced Placement Incentive Program, is uncertain. **Ms. Coopersmith** explained that federal government appropriates annually and they are as certain of this grant as they are of any grant.

*{Tape : 3; Side : B; Approx. Time Counter : 18.8}*

**CHAIRMAN WITT** adjourned the meeting.

**ADJOURNMENT**

Adjournment: 11.40 A.M.

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REP. JOHN WITT, Chairman

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CAYENNA JOHNSON, Secretary

JW/CJ

**EXHIBIT** (jeh15aad)